

Hit- While Harley Rouda was managing partner of a real estate firm, the company was successfully sued for nearly \$2 million dollars by a female employee after she was fired while on medical leave for cancer. Rouda allegedly complained that older employee's health insurance claims were putting the company on a "downward death spiral."

Backup:

In 2006, while Rouda was chief executive and managing partner, a former employee, accused Realty One Real Living of age discrimination and wrongful termination, alleging that she was fired while on leave for cancer:

Editor's Note: *Harley Rouda was named as a defendant in the lawsuit and therefore party to the lawsuit. His wife was ordered to pay \$200,000 of the settlement.*

Editor's Note: *314 Action Fund opposed Rouda with an [ad on this hit](#) which can be viewed in an article from Social Daily Pulse.*

- **In 2006, A Former Employee Of Realty One – A Real Living Subsidiary – Sued For Age Discrimination And Wrongful Termination.** "A former executive at Realty One sued the company and its top officials on Thursday in Cuyahoga County Common Pleas Court, accusing them of age discrimination and wrongful termination." ("LAW & ORDER," [Cleveland Plain Dealer](#), 11/17/06)
- **In 2006, Lee-Ann Spacek sued Realty One and its top officials, accusing them of age discrimination and wrongful termination and alleging that she was fired while on leave for cancer.** "A former executive at Realty One sued the company and its top officials on Thursday in Cuyahoga County Common Pleas Court, accusing them of age discrimination and wrongful termination. Lee-Ann Spacek, 57, of Solon is seeking damages of more than \$1.5 million. Spacek, Realty One's former vice president of relocation services, accused the company of firing her on Sept. 26 while she was on medical leave for cancer. She said that she continued to work during her recovery and that the company acted without justification." ("LAW & ORDER," [Cleveland Plain Dealer](#), 11/17/06)
 - **In November 2006, Rouda and Realty One Real Living were sued by Lee-Ann Spacek.** According to records from the Cuyahoga County Clerk of Courts, Harley Rouda Jr. and Realty One/Real Living were sued by Lee-Ann Spacek on November 16, 2006. (Cuyahoga County Clerk of Courts, Case No. CV-06-607379, Docket, Filed 11/16/06)
 - **"Harley Rouda Jr., the company's chief executive and managing partner, said he had not received a copy of the lawsuit."** ("LAW & ORDER," [Cleveland Plain Dealer](#), 11/17/06)
- **Harley Rouda was a buyer in the merger of Realty One and another real estate company in 2002.** "On Jan. 31, 2002, Realty One and HER and their affiliated companies merged. Rouda had decided to be a buyer." (Todd Shryock, "On The Move," [Smart Business](#), 09/30/05)

Lee-Ann Spacek Was Fired After She Took Medical Leave For Cancer:

- **Spacek was in her late 50s at the time of her firing and had served as Director of Relocations for Realty One since 2003.** “Lee-Ann Spacek, who has in her late 50s at the time of her firing in late 2006, had served as Director of Relocation for the realty company since 2003. Realty One claimed at the time and after the case that she lost her job as part of reduction in force.” (“Former Realty One director wins \$1.8 million in age discrimination case,” [Cleveland Plain Dealer](#), 10/4/11)
- **Lee-Ann Spacek, A 57-Year-Old Former Executive With Realty One, Claimed She Was Fired While She Was On Medical Leave For Cancer.** “Lee-Ann Spacek, 57, of Solon is seeking damages of more than \$1.5 million. Spacek, Realty One’s former vice president of relocation services, accused the company of firing her on Sept. 26 while she was on medical leave for cancer. She said that she continued to work during her recovery and that the company acted without justification. Harley Rouda Jr., the company’s chief executive and managing partner, said he had not received a copy of the lawsuit.” (“Law & Order,” [Cleveland Plain Dealer](#), 11/17/06)
- **According To Spacek’s Lawsuit, She Was Diagnosed With Cancer In 2004 And Subsequently Developed A Rare Blood Disorder In 2005, Requiring Her To Work From Home.** “Ms. Spacek was diagnosed with cancer in August of 2004. She was treated with radiation and chemotherapy. After her cancer treatment, Ms. Spacek developed a rare blood disorder in or about January 2005. As a result of these two serious diseases and the need for treatment, Ms. Spacek was away from her office. She did, however, continue to work from home during her leave.” (Complaint, *Lee-Ann Spacek v. Realty One, Inc DBA Realty One Real Living*, Cuyahoga County Court of Common Pleas, CV-06-607379, 11/16/06)

<p>15. Ms. Spacek was diagnosed with cancer in August of 2004. She was treated with radiation and chemotherapy.</p> <p style="text-align: center;">3</p>
<p>16. After her cancer treatment, Ms. Spacek developed a rare blood disorder in or about January 2005. As a result of these two serious diseases and the need for treatment, Ms. Spacek was away from her office. She did, however, continue to work from home during her leave.</p>

(Complaint, *Lee-Ann Spacek v. Realty One, Inc DBA Realty One Real Living*, Cuyahoga County Court of Common Pleas, CV-06-607379, 11/16/06)

Rouda Allegedly Told Executives That They Had Too Many Older Employees With Health Problems:

- **“Spacek had multiple leaves for cancer treatment and for a rare blood disease between 2004 and her firing.”** (“Former Realty One director wins \$1.8 million in age discrimination case,” [Cleveland Plain Dealer](#), 10/4/11)

- **Spacek presented evidence in court of the company seeking younger staff, and claimed to be at a management meeting where Rouda complained that management was aging, became sick too often and was hurting the company.** “But Spacek and lawyer Andy Kabat claimed she was fired because of her age and attempts to reduce the company's medical expenses. Spacek had multiple leaves for cancer treatment and for a rare blood disease between 2004 and her firing. (“Former Realty One director wins \$1.8 million in age discrimination case,” [Cleveland Plain Dealer](#), 10/4/11)

“They presented evidence in court of the company seeking a younger staff. Spacek also claimed to be at a management meeting in which the company CEO complained that management was aging, became sick too often and was hurting the company.” (“Former Realty One director wins \$1.8 million in age discrimination case,” [Cleveland Plain Dealer](#), 10/4/11)

“Realty One, in a written statement, said that Spacek won out of sympathy, rather than facts, and that it would appeal.” (“Former Realty One director wins \$1.8 million in age discrimination case,” [Cleveland Plain Dealer](#), 10/4/11)

- **Soon After She Returned From Her Medical Leave, Spacek Attended A November, 2005 Management Meeting With Harley Rouda In Which Rouda Complained That Older Employees’ Health Insurance Claims Were Putting The Company On A “Downward Death Spiral.”** “Shortly after she return from leave, Ms. Spacek attended a meeting on or about November 18, 2005 at Windows on the River in Cleveland. The meeting was attended by all Realty One Real Living branch managers and department heads, as well as Barbara Reynolds, the President of Realty One Real Living, and Defendant Harley E. Rouda, Jr. At the November 18, 2005 meeting, there was a discussion about a change in Defendants’ health insurance provider. Defendant Harley E. Rouda, Jr. advised the attendees that Defendants had too many employees who are older and who make too many claims that are covered by Defendants’ health insurance provider. At the November 18, 2005 meeting, Defendant Harley E. Rouda, Jr. characterized the volume of insurance claims as placing Defendants in a ‘downward death spiral.’” (Complaint, *Lee-Ann Spacek v. Realty One, Inc DBA Realty One Real Living*, Cuyahoga County Court of Common Pleas, CV-06-607379, 11/16/06)

17. Shortly after she returned from leave, Ms. Spacek attended a meeting on or about November 18, 2005 at Windows on the River in Cleveland. The meeting was attended by all Realty One Real Living branch managers and department heads, as well as Barbara Reynolds, the President of Realty One Real Living, and Defendant Harley E. Rouda, Jr.

18. At the November 18, 2005 meeting, there was a discussion about a change in Defendants' health insurance provider. Defendant Harley E. Rouda, Jr. advised the attendees that Defendants had too many employees who are older and who make too many claims that are covered by Defendants' health insurance provider.

19. At the November 18, 2005 meeting, Defendant Harley E. Rouda, Jr. characterized the volume of insurance claims as placing Defendants in a "downward death spiral."

(Complaint, *Lee-Ann Spacek v. Realty One, Inc DBA Realty One Real Living*, Cuyahoga County Court of Common Pleas, CV-06-607379, 11/16/06)

- **After The November, 2005, Meeting, Spacek Alleged That Realty One/Real Living Embarked On A Policy Of Firing Older Employees And Replacing Them With Younger Ones, Including Herself.** "In 2005 and thereafter, the Defendants engaged in a policy/practice to eliminate older employees and replace them with younger employees. Because of and after the aforementioned events, senior executives told Ms. Spacek that she was being 'watched' and that her job was at risk. Defendants terminated Ms. Spacek's employment on September 26, 2006. Ms. Spacek was 57 years old at the time." (Complaint, *Lee-Ann Spacek v. Realty One, Inc DBA Realty One Real Living*, Cuyahoga County Court of Common Pleas, CV-06-607379, 11/16/06)

20. In 2005 and thereafter, the Defendants engaged in a policy/practice to eliminate older employees and to replace them with younger employees.

21. Because of and after the aforementioned events, senior executives told Ms. Spacek that she was being "watched" and that her job was at risk.

22. Defendants terminated Ms. Spacek's employment on September 26, 2006. Ms. Spacek was 57 years old at the time.

In 2008, the former employee won the lawsuit and was awarded \$1,850,000 plus attorney fees for lost wages and benefits, pain and suffering, and punitive damages:

- **Spacek Won Her Lawsuit In 2008, And Was Awarded \$1.8 Million.** "A former director for Realty One won \$1.8 million from the company last week through an age discrimination lawsuit in Cuyahoga County Common Pleas Court. Lee-Ann Spacek, who has in her late 50s at

the time of her firing in late 2006, had served as Director of Relocation for the realty company since 2003. Realty One claimed at the time and after the case that she lost her job as part of reduction in force.” (“Former Realty One Director Wins \$1.8 Million In Age Discrimination Case,” *Cleveland Plain Dealer*, 6/4/08)

- **Spacek Was Awarded \$700,000 In Punitive Damages With Harley Rouda’s Wife, Kaira, Ordered To Pay \$200,000 Of The Total.** (Verdict, *Lee-Ann Spacek v. Realty One, Inc DBA Realty One Real Living*, Cuyahoga County Court of Common Pleas, CV-06-607379, 5/28/08)

ON TRIAL. Alternate Juror is excused. Jury retires to deliberate.
Jury returns verdict for the Plaintiff in the Amount of :
\$950,000.00 Lost Wages and Benefits,
\$200,000.00 Pain and Suffering
Further the Jury finds for the Plaintiff on the issue of Punitive Damages in the Amount of:
\$250,000.00 Vs Realty One d/b/a Real Living One
\$250,000.00 Vs Real Living , Inc.
\$200,000.00 Vs Kaira Rouda
Total Verdict and Award for Plaintiff:
\$1,850,000.00 Plus Attorney fees . Costs to be paid by the Defendants.
Hearing on the Attorney fees will be set within 30 Days at the convenience of the parties.
W. J. Gorman
JUDGE

(Verdict, *Lee-Ann Spacek v. Realty One, Inc DBA Realty One Real Living*, Cuyahoga County Court of Common Pleas, CV-06-607379, 5/28/08)

The case was appealed, but jointly dismissed in December 2008:

- According to the Cuyahoga County Clerk of Courts, the case was appealed September 5, 2008 and dismissed on December 5, 2008. (Cuyahoga County Clerk of Courts, Case No. [CA-08-092045](#), Filed 9/5/08)

Editor’s Note: *Realty One/Real Living appealed the case, but appeals court records indicate the case was jointly dismissed on December 5, 2008, indicating that Realty One/Real Living settled with Spacek.*

Rouda Has Boasted On The Campaign Trail That He Has A Strong Record Of Working With Women In His Business Career:

- In A February, 2018 Debate, Rouda Said He Was Very Proud Of His Record Of Working With Women In His Business Career. ROUDA: “From a business standpoint, I’ve had the privilege with a lot of help in support of managing companies from early stage all the way up to almost 10,000 people. And I am proud of the fact that in a company of almost 10,000 people, the vast majority of them were women. Not just at the sales level, but at the mid-level management, executive management throughout the company. I’m very proud of the fact that two of the largest real estate brands in the United States – ERA and Better Homes and Gardens – are run by two women who I used to work with and hired. And I believe that to really address the issues of prejudice-ness, not just with women but everywhere...this has to really be started at a young age. And if you’re familiar with the representation project, it talks about how systemic sexism is in our culture and delivered to kids at a small age through advertising on through their later adult years. If we don’t get women in positions of power – in advertising, entertainment, film, technology, every major industry and most importantly

government, we're not going to be able to affect the systemic issues that are harnessed at that bottom level from birth. And so let's address it there, because we can pass legislation, but if we don't change hearts and minds the legislation isn't going to matter." (Indivisible OC 48 Debate - Women's Issues, [YouTube](#), 2/7/18, 44:10)